

## 5.2 Finance Management



Boers, Hendrikus Marthinus  
Director  
Finance



Gates, Sarel Johannes Francois  
Deputy Director Financial  
Compliance  
Finance



Sithole, Vusie Samson  
Assistant Director  
Expenditure



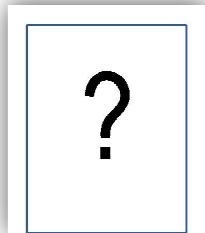
Pienaar, Mattheus Johannes  
Assistant Director  
Supply Chain Management



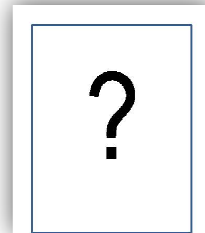
Otto, Willem Petrus  
Assistant Director  
Financial Systems



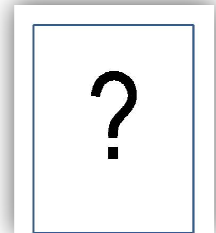
Magagula, Mxolisi Matthews  
Assistant Director  
Revenue Income




















Vacant  
Deputy Director Financial  
Accounting









Vacant  
Assistant Director Finance Cash  
Management



Vacant  
Assistant Director Budget

Function: Msukaligwa Municipality		
5.2.1 Finance and Administration		
Reporting Level	Detail	Total
Overview	<p>The Finance department is the support department with regard to sustainable financial viability of the municipality. The department has the responsibility to ensure that the revenue of the municipality is received and that the expenditure does not exceed the actual realizable income from services and taxes.</p> <p style="text-align: center;"><b>Mr. Boers, Hendrikus Marthinus</b> <b>Director Finance (CFO)</b></p>	
Description of the Activity:	<p><b>Administrative Functions</b></p> <p>The following management team is responsible for several functions as indicated, and accordingly forming part of the financial department.</p>	
1.	<p><b>Budget office:</b></p> <p style="text-align: center;"><b>Mr. Gates, Sarel Johannes Francois</b> <b>Deputy Director Financial Compliance</b></p> <p>Manages and controls the key performance areas associated with the consolidation and preparation of management accounts and budget; recording, balancing, reconciliation and reporting of income and expenditure; monitoring and executing specific interventions to maintain compliance; implementing risk management and asset control procedures; preparing of financial reports to support key management decisions and, provision of guidance to personnel with the interpretation and processing of specific accounting information.</p> <p><b>The strategic objectives of this function are to:</b></p> <ul style="list-style-type: none"> <li> Ensure sound financial services and information to the Municipality, Council and line functionaries</li> </ul> <p><b>The key issues for 2008/09 are:</b></p> <ul style="list-style-type: none"> <li> IDP processes</li> <li> Budget processes and reporting</li> <li> Grant management</li> <li> Budget control</li> <li> Adjustment budgets and reporting</li> <li> Monthly, quarterly and annual reporting</li> <li> Annual financial reports</li> <li> Annual financial statements</li> </ul>	
2.	<p><b>Expenditure section:</b></p> <p style="text-align: center;"><b>Mr. Sithole, Vusie Samson</b> <b>Assistant Director Expenditure</b></p> <p>Manages and controls the key performance areas associated with the recording, balancing, reconciliation and reporting of expenditure through the application of laid down procedures, monitoring and executing specific interventions to maintain compliance, preparation of financial reports to support key management decisions and, guiding personnel with the interpretation and processing of specific accounting information.</p> <p><b>The strategic objectives of this function are to:</b></p> <ul style="list-style-type: none"> <li> Ensure sound financial services and information to the Municipality, Council and line functionaries</li> </ul> <p><b>The key issues for 2008/09 are:</b></p> <ul style="list-style-type: none"> <li> creditor payments</li> <li> staff and councilors salary payments</li> <li> payment of VAT with reconciliations</li> <li> direct and contract payments</li> <li> petty cash administration</li> <li> loans register and management of interest</li> <li> investment register and management of interest</li> </ul>	
3.	<p><b>Revenue section:</b></p> <p style="text-align: center;"><b>Mr. Magagula, Mxolisi Matthews</b> <b>Assistant Director Income</b></p> <p>Manages the key performance areas associated with the recording and billing of consumption information and levying rates and tariffs for services through the implementation and monitoring of procedures, systems and controls regulating</p>	


	<p>transactional activities, provision of guidance and support with respect to administrative and reporting sequences and, the updating and maintaining of specific accounting records and registers related to the activities of the functionality.</p> <p><b>The strategic objectives of this function are to:</b></p> <ul style="list-style-type: none"> <li>Ensure sound financial services and information to the Municipality, Council and line functionaries</li> </ul> <p><b>The key issues for 2008/09 are:</b></p> <ul style="list-style-type: none"> <li>meter readings</li> <li>levies on services</li> <li>services agreements and cancellations</li> <li>property rates</li> <li>valuation roll maintenance</li> <li>accounts printing and posting</li> <li>credit control and debt collection</li> <li>indigent administration</li> <li>revenue collection</li> </ul>
4.	<p><b>Financial Systems Information Technology:</b></p> <p style="text-align: center;"><b>Mr. Otto, Willem Petrus</b> <b>Assistant Director Information Systems</b></p> <p>Manages the investigative, analysis and implementation processes with respect to continuous improvement or business reengineering strategies addressing the efficiencies and effectiveness of the financial information and accounting systems and, procedures and controls in order to ensure adequate and capable decision support and reporting platforms exists conforming to statutory financial acts, regulations and/ or best practices.</p> <p><b>The strategic objectives of this function are to:</b></p> <ul style="list-style-type: none"> <li>Ensure sound financial services and information to the Municipality, Council and line functionaries</li> </ul> <p><b>The key issues for 2008/09 are:</b></p> <ul style="list-style-type: none"> <li>financial system administration</li> <li>data capturing</li> <li>maintenance of the various financial systems</li> <li>monthly processes for billing and accounts</li> <li>rates and valuation roll information</li> <li>monthly processes for creditor payments</li> <li>direct payments</li> <li>salary payments and revenue</li> <li>expenditure updating</li> </ul>
5.	<p><b>Supply chain management:</b></p> <p style="text-align: center;"><b>Mr. Pienaar, Mattheus Johannes</b> <b>Assistant Director Supply Chain</b></p> <p>Manages the key performance areas associated with Supply Chain Management through the implementation and monitoring of procurement, utilization and disposal procedures, systems and controls regulating transactional activities, provision of guidance and support with respect to administrative and reporting sequences and, the updating and maintaining of specific accounting records and registers related to the activities of the functionality.</p> <p><b>The strategic objectives of this function are to:</b></p> <p>Ensure sound financial services and information to the Municipality, Council and line functionaries</p> <p><b>The key issues for 2008/09 are:</b></p> <ul style="list-style-type: none"> <li>Revision of supply chain policy</li> <li>Ensure implementation of policy and procedures</li> <li>Reporting in terms of the policy</li> <li>Management of procurement processes</li> <li>Ensure functionality of committees</li> <li>Manage creditors and payments</li> <li>Manage stores and inventory</li> </ul>
6.	<p><b>Financial Compliance:</b></p>

	<p style="text-align: center;"><b>Vacant</b> <b>Deputy Director Financial Compliance</b></p> <p>Manages and controls the key performance areas associated with the consolidation and preparation of management accounts and budget; recording, balancing, reconciliation and reporting of income and expenditure; monitoring and executing specific interventions to maintain compliance; implementing risk management and asset control procedures; preparing of financial reports to support key management decisions and, provision of guidance to personnel with the interpretation and processing of specific accounting information</p> <p><b>The strategic objectives of this function are to:</b>   None</p> <p><b>The key issues for 2008/09 are:</b>   None</p>
7.	<p><b>Cash Management:</b></p> <p style="text-align: center;"><b>Vacant</b> <b>Assistant Director Cash Management</b></p> <p>Manages and controls the key performance areas associated with the recording, balancing, reconciliation and reporting of income through the application of laid down procedures, monitoring and executing specific interventions to maintain compliance and, preparation of financial reports to support key management decisions and, guiding personnel with the interpretation and processing of specific accounting information.</p> <p><b>The strategic objectives of this function are to:</b>   None</p> <p><b>The key issues for 2008/09 are:</b>   None</p>
8.	<p><b>Budget:</b></p> <p style="text-align: center;"><b>Vacant</b> <b>Assistant Director Budget</b></p> <p>Manages the key performance areas associated with the recording, balancing, reconciliation, reporting and control of the consolidated capital and operating budgets through the application of laid down procedures, monitoring and executing specific interventions to maintain compliance, preparation of financial reports to support key management decisions and, guiding personnel with the interpretation and processing of specific accounting information</p> <p><b>The strategic objectives of this function are to:</b>   None</p> <p><b>The key issues for 2008/09 are:</b>   None</p>



### 5.2.1.1 Finance Administration Summary Information






































1.	<b>Debtor billings: number and value of monthly billings:</b>  Rates and Taxes Electricity Water Sewerage Refuse	Total Number	Total Value
			R (000s)
		23 102	31 564
		21 046	33 560
		18 893	15 771
		19 661	12 206
		22 745	11 368
2.	<b>Debtor collections: value of amount received and interest:</b>  Rates and Taxes Electricity Water Sewerage Refuse	Total Number	Total Value
			R (000s)
			28 548
			32 532
			12 037
			8 892
			8 001
3.	<b>Debtors Age Analysis</b>   <		














	values up to R30,000																																																		
7.	<b>Creditor Outstanding:</b> <i>Creditors are paid within 30 days</i> <i>Trade creditors at 30 June 2009 to be paid in the new financial year</i>	167	R(000s) 8 804																																																
8.	<b>External Loans:</b>  <b>Total loans received and paid during the year</b>																																																		
	<table><tr><th>Loans payable</th><th>Opening balance R(000)</th><th>Paid / received R(000)</th><th>Closing balance R(000)</th><th>Current portion R(000)</th><th>Long term portion R(000)</th></tr><tr><td>Local registered stock loans</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Annuity loans</td><td>2 233</td><td>2 295</td><td>4 528</td><td>1 306</td><td>3 222</td></tr></table>	Loans payable	Opening balance R(000)	Paid / received R(000)	Closing balance R(000)	Current portion R(000)	Long term portion R(000)	Local registered stock loans	0	0	0	0	0	Annuity loans	2 233	2 295	4 528	1 306	3 222																																
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	Refer to financial statements appendix A, page 41																																																		
9.	<b>Delayed and Default Payments:</b> <List delayed and default payments here>	0																																																	
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>																																																
<b>Financial Performance</b>	According the results from the annual financial statements and bank balances the finances of the municipality has declined, notwithstanding the processes initiated with debt collections and credit control measures. The possibility to initiate other revenue management processes should be considered. The implementation of the advanced pre-paid system to include credit control measures should enhance payment rates during the new financial year.																																																		
	<b>MSUKALIGWA REVENUE &amp; EXPENDITURE 2008/2009</b> <b>BUDGET / ACTUAL</b>																																																		
	<table><tr><th>Expenditure</th><th>Budget</th><th>Actual</th><th>Percentage % Actual</th></tr><tr><td>1. Employee Related Cost</td><td>90 730 995</td><td>84 384 656</td><td>36.67%</td></tr><tr><td>2. Councilors Related Cost</td><td>6 438 735</td><td>6 531 765</td><td>2.84%</td></tr><tr><td>3. General Expenditure</td><td>38 149 054</td><td>29 583 399</td><td>12.86%</td></tr><tr><td>4. Purchase Of Electricity &amp; Water</td><td>43 353 600</td><td>50 016 167</td><td>21.73%</td></tr><tr><td>5. Contracted Services</td><td>12 748 539</td><td>12 934 210</td><td>5.62%</td></tr><tr><td>6. Repair And Maintenance</td><td>13 029 359</td><td>12 495 125</td><td>5.43%</td></tr><tr><td>7. Other Expenses (Depreciation, Bad Debts, Subsidies)</td><td>32 794 867</td><td>34 179 518</td><td>14.85%</td></tr><tr><td><b>TOTAL EXPENDITURE (NET)</b></td><td><b>237 245 149</b></td><td><b>230 124 840</b></td><td><b>100.00%</b></td></tr></table>	Expenditure	Budget	Actual	Percentage % Actual	1. Employee Related Cost	90 730 995	84 384 656	36.67%	2. Councilors Related Cost	6 438 735	6 531 765	2.84%	3. General Expenditure	38 149 054	29 583 399	12.86%	4. Purchase Of Electricity & Water	43 353 600	50 016 167	21.73%	5. Contracted Services	12 748 539	12 934 210	5.62%	6. Repair And Maintenance	13 029 359	12 495 125	5.43%	7. Other Expenses (Depreciation, Bad Debts, Subsidies)	32 794 867	34 179 518	14.85%	<b>TOTAL EXPENDITURE (NET)</b>	<b>237 245 149</b>	<b>230 124 840</b>	<b>100.00%</b>														
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	<table><tr><th>Revenue</th><th>Budget</th><th>Actual</th><th>Percentage % Actual</th></tr><tr><td>1. Assessment Rates On Properties</td><td>31 662 895</td><td>31 564 178</td><td>13.78%</td></tr><tr><td>2. Service Charges</td><td>104 674 697</td><td>97 832 398</td><td>42.72%</td></tr><tr><td>3. Fines &amp; Licenses</td><td>2 431 830</td><td>2 736 521</td><td>1.19%</td></tr><tr><td>4. Interest</td><td>9 129 797</td><td>8 313 426</td><td>3.63%</td></tr><tr><td>5. Rental</td><td>1 237 835</td><td>1 259 814</td><td>0.55%</td></tr><tr><td>6. Agency Services</td><td>1 700 000</td><td>2 121 057</td><td>0.93%</td></tr><tr><td>7. Government Grant And Subsidies</td><td>93 861 501</td><td>78 125 304</td><td>34.11%</td></tr><tr><td>8. Other Income &amp; Gains On Disposed Ppe</td><td>9 777 418</td><td>7 077 038</td><td>3.09%</td></tr><tr><td><b>TOTAL OPERATING INCOME</b></td><td><b>254 475 973</b></td><td><b>229 029 736</b></td><td><b>100.00%</b></td></tr><tr><td>LESS AMORTIZATION OF DEBTORS</td><td></td><td>-3 336 673</td><td></td></tr><tr><td><b>TOTAL OPERATING SURPLUS / (DEFICIT)</b></td><td><b>17 230 824</b></td><td><b>4 431 777</b></td><td></td></tr></table>	Revenue	Budget	Actual	Percentage % Actual	1. Assessment Rates On Properties	31 662 895	31 564 178	13.78%	2. Service Charges	104 674 697	97 832 398	42.72%	3. Fines & Licenses	2 431 830	2 736 521	1.19%	4. Interest	9 129 797	8 313 426	3.63%	5. Rental	1 237 835	1 259 814	0.55%	6. Agency Services	1 700 000	2 121 057	0.93%	7. Government Grant And Subsidies	93 861 501	78 125 304	34.11%	8. Other Income & Gains On Disposed Ppe	9 777 418	7 077 038	3.09%	<b>TOTAL OPERATING INCOME</b>	<b>254 475 973</b>	<b>229 029 736</b>	<b>100.00%</b>	LESS AMORTIZATION OF DEBTORS		-3 336 673		<b>TOTAL OPERATING SURPLUS / (DEFICIT)</b>	<b>17 230 824</b>	<b>4 431 777</b>			
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### 5.2.1.2 Statement Of Financial Performance For The Year Ended 30 June 2009 Actual






























Revenue		2009	2008
1.	Property Rates	31 564 178	28 239 542
2.	Service Charges	97 092 773	84 592 827
3.	Un-earned finance charges	3 465 930	3 520 704
4.	Government grants and subsidies	78 125 304	71 198 578
5.	Fines	800 693	533 132
6.	Interest earned - external investments	1 756 391	1 955 548
7.	Interest earned - outstanding debtors	6 557 035	8 500 685
8.	Rental of facilities and equipment	1 259 814	1 086 596
9.	Licenses and permits	1 935 828	1 913 095
10.	Income for Agency services	2 121 057	2 454 994
11.	Gains on disposal of PPE	422 471	1 064 551
12.	Other Income	3 952 315	4 591 082
<b>Total Revenue</b>		<b>229 053 789</b>	<b>209 651 334</b>
Expenditure		2009	2008
1.	Employee related costs	84 384 657	78 094 386
2.	Remuneration of Councilors	6 531 765	5 926 006
3.	General Expenses	29 584 376	28 587 341
4.	Interest paid	621 596	325 215
5.	Bulk purchases	50 016 167	35 145 410
6.	Contracted Services	12 934 210	12 339 679
7.	Collection costs	882 738	469 172
8.	Repairs and Maintenance	12 495 125	10 213 630
9.	Depreciation, amortisation and impairments	18 476 192	15 654 322
10.	Provision for bad debts	10 475 910	10 147 341
11.	Provision for leave	619 197	607 484
12.	Loss on disposal of PPE	0	241 213
13.	Transfer to other reserves	3 082 018	2 795 040
<b>Total Expenditure</b>		<b>230 100 951</b>	<b>200 546 239</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>(1 047 162)</b>	<b>9 105 095</b>

**Function: Msukaligwa Municipality**  
**Sub: Finance and Administration**  
**5.2.1.3 Budget Office**

Reporting Level	Detail	Total																																		
Overview:	Includes all activities relating to budget processes and functions of the municipality including preparation of monthly reports, quarterly reports and annual reports.																																			
Description of the Activity:	<p><b>The function of budgeting within the municipality is administered as follows and includes:</b></p> <ul style="list-style-type: none"><li> IDP processes</li><li> Budget processes and reporting</li><li> Grant management</li><li> Budget control</li><li> Adjustment budgets and reporting</li><li> Monthly, quarterly and annual reporting</li><li> Annual financial reports</li><li> Annual financial statements</li></ul> <p><b>These services extend to include <i>Msukaligwa Municipal region</i>, but do not take account of <i>GSDM Municipal region</i> which resides within the jurisdiction of <i>Provincial government</i>.</b></p>																																			
Analysis of the Function:	<p><b>The strategic objectives of this function are to:</b></p> <ul style="list-style-type: none"><li> Assist the Municipal Manager to compile and monitor budgets in accordance with the MFMA</li><li> Be part of the IDP processes</li><li> Consolidate annual budgets in accordance with time tables approved by Council</li><li> Monthly and quarterly reporting in accordance with legislation</li><li> Manage grant funding and reporting</li><li> Perform budget control functions</li><li> Consolidate adjustment budgets when necessary</li><li> Compile annual reports including annual financial statements within time schedules of legislation.</li></ul> <p><b>Budget Processes</b></p> <ul style="list-style-type: none"><li> Provide time schedule to Council for approval for the next year budget process</li><li> Participate during the IDP community participating process</li><li> Compile adjustment budget to be table to Council</li><li> Compile annual draft budget to be tabled to Council</li><li> Compile annual budget to be approved by Council</li></ul> <p><b>Reporting processes</b></p> <ul style="list-style-type: none"><li> Provide annual budget to all departments</li><li> Monthly reporting in terms of the MFMA</li><li> Quarterly reporting in terms of the MFMA</li><li> Annual Financial Statements compilation and finalisation</li><li> Annual report tabled to Council</li></ul> <p><b>The key issues for 2008/09 are:</b></p> <ul style="list-style-type: none"><li> Budget monitoring and reporting in accordance with legislation</li><li> Lack of capacity – Vacant positions</li></ul> <p><b>Numbers and costs to the employer of all Finance Expenditure</b></p> <table><tr><td> Director</td><td>August</td><td></td></tr><tr><td> Deputy Director Financial Compliance</td><td>October</td><td></td></tr><tr><td> Secretary</td><td>February</td><td></td></tr><tr><td></td><td>March</td><td></td></tr><tr><td></td><td>May</td><td></td></tr><tr><td></td><td>July</td><td></td></tr><tr><td></td><td>Yes</td><td></td></tr><tr><td></td><td>Yes</td><td></td></tr><tr><td></td><td>30 Sept. '09</td><td></td></tr><tr><td></td><td>January 2010</td><td></td></tr><tr><td><b>Total Cost</b></td><td></td><td><b>1 201 505</b></td></tr></table>			 Director	August		 Deputy Director Financial Compliance	October		 Secretary	February			March			May			July			Yes			Yes			30 Sept. '09			January 2010		<b>Total Cost</b>		<b>1 201 505</b>
 Director	August																																			
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<b>Total Cost</b>		<b>1 201 505</b>																																		
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target																																	
Budget processes, budget monitoring and reporting	Budgets were finalised and tabled in accordance with legislation. Monthly reporting has been done in accordance with the MFMA.	95%	100%																																	

Function:		Msukaligwa Municipality																			
Sub:		Finance and Administration																			
5.2.1.4 Expenditure Office																					
Reporting Level	Detail		Total																		
Overview:	Includes all activities relating to creditor payments, staff and councillor's salary payments, payment of various institutions such as pension funds, medical aid and SARS, payment of VAT with reconciliations, direct and contract payments, petty cash administration, investments and register, loans register and maintenance of asset registers and insurance administration and claims management and reporting																				
Description of the Activity:	<p><b>The function of Expenditure Office within the municipality is administered as follows and includes:</b></p> <ul style="list-style-type: none"><li> Creditor payments</li><li> Staff and councillors salary payments</li><li> Payment of VAT with reconciliations</li><li> Petty cash administration</li><li> Loans register and Management of Interest</li><li> Investment register and management of interest</li><li> Assets managements and insurance</li><li> Maintenance of asset register</li><li> Insurance claims</li></ul>																				
Analysis of the Function:	<p><b>The strategic objectives of this function are to:</b></p> <ul style="list-style-type: none"><li> Ensure sound financial services and information to the municipality, council and line functionaries</li></ul> <p><b>The key issues for 2008/09 are:</b></p> <ul style="list-style-type: none"><li> Availability of personnel to perform assets management functions</li><li> Establishment of accurate and complete asset register based on the existing policies and accounting standards</li></ul>																				
		<p><b>Numbers and costs to the employer of all Finance Expenditure</b></p> <p>Assistant Director Expenditure</p> <p>Chief Accountant</p> <p>Accountant</p> <p>Snr. Clerk</p> <p>Storeman</p> <p>Snr. Clerical Assistants</p> <p>Messenger</p> <p>Handyman</p> <p style="text-align: right;"><b>Total Cost</b></p>	<table><tr><td>1</td><td>404 067</td></tr><tr><td>1</td><td>275 290</td></tr><tr><td>1</td><td>243 952</td></tr><tr><td>4</td><td>755 241</td></tr><tr><td>1</td><td>200 684</td></tr><tr><td>1</td><td>149 362</td></tr><tr><td>1</td><td>124 713</td></tr><tr><td>1</td><td>102 341</td></tr><tr><td></td><td><b>2 011 698</b></td></tr></table>	1	404 067	1	275 290	1	243 952	4	755 241	1	200 684	1	149 362	1	124 713	1	102 341		<b>2 011 698</b>
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Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target																		
Disclose Immovable assets as per applicable accounting standards/legislation	 Assets register comply with legislations	90%	100%																		

Function:		Msukaligwa Municipality																																		
Sub:		Finance and Administration																																		
5.2.1.5 Revenue Office																																				
Reporting Level	Detail		Total																																	
Overview:	Responsible for meter readings, levies on services, services agreements and cancellations, property rates, valuation roll maintenance, accounts printing and posting, credit control and debt collection, indigent administration, revenue collection and pre-paid revenue processes at the various finance offices and pay-points. The section are also assisting with statistical information, calculation of revenue projections on all services, rates and taxes and assistance with monthly and annual financial reporting procedures.																																			
Description of the Activity:	<b>The function of the revenue office within the municipality is administered as follows and includes:</b> <ul style="list-style-type: none"><li> meter readings</li><li> levies on services</li><li> services agreements and cancellations</li><li> property rates</li><li> valuation roll maintenance</li><li> accounts printing and posting</li><li> credit control and debt collection</li><li> indigent administration</li><li> revenue collection</li></ul>																																			
Analysis of the Function:	<b>These services extend to include <i>Msukaligwa Municipal region</i>, but do not take account of <i>GSDM Municipal region</i> which resides within the jurisdiction of <i>Provincial government</i>. The municipality has a mandate to:</b> <ul style="list-style-type: none"><li> Provide sufficient ways and means and access points for revenue collection</li></ul> <b>The strategic objectives of this function are to:</b> <ul style="list-style-type: none"><li> Ensure sound financial services and information to the Municipality, Council and line functionaries</li></ul> <b>The key issues for 2008/09 are:</b> <ul style="list-style-type: none"><li> Service delivery in terms of the "Batho Phele" principle</li><li> Proper credit control functions in terms of council's policy</li><li> Debt Collection</li><li> Indigent Administration</li></ul> <b>Numbers and costs to the employer of all Finance Expenditure</b> <table><tr><td> Assistant Director Income</td><td>1</td><td>303 050</td></tr><tr><td> Accountant</td><td>5</td><td>1 219 758</td></tr><tr><td> Administration Officer</td><td>2</td><td>426 914</td></tr><tr><td> Snr. Clerk</td><td>10</td><td>1 888 103</td></tr><tr><td> Clerk GR 1</td><td>2</td><td>283 230</td></tr><tr><td> Cashiers</td><td>7</td><td>1 057 234</td></tr><tr><td> Snr. Clerical Assistants</td><td>7</td><td>597 447</td></tr><tr><td> Meter readers</td><td>11</td><td>1 538 570</td></tr><tr><td> General Worker</td><td>1</td><td>30 000</td></tr><tr><td> Pre Paid Staff</td><td>10</td><td>256 962</td></tr><tr><td colspan="2"><b>Total Cost</b></td><td><b>7 601 268</b></td></tr></table>			 Assistant Director Income	1	303 050	 Accountant	5	1 219 758	 Administration Officer	2	426 914	 Snr. Clerk	10	1 888 103	 Clerk GR 1	2	283 230	 Cashiers	7	1 057 234	 Snr. Clerical Assistants	7	597 447	 Meter readers	11	1 538 570	 General Worker	1	30 000	 Pre Paid Staff	10	256 962	<b>Total Cost</b>		<b>7 601 268</b>
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Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target																																	
Debt Collection	Appointed Debt Collection consultant on a contract basis	+_4%	10% of outstanding debtors																																	
Pre-Paid	Migration to new Pre-Paid system throughout the Msukaligwa region	100%	100%																																	

Function:		Msukaligwa Municipality	
Sub:		Finance and Administration	
5.2.1.6 Financial Systems			
Reporting Level	Detail		Total
Overview:	Includes all activities relating to Financial System management, data processing and availability of financial information.		
Description of the Activity:	<b>The function of Financial Systems Information Technology within the municipality is administered as follows and includes:</b>		
	<div><div></div>Administration of financial systems and processes</div> <div><div></div>Data capturing</div> <div><div></div>Data processing</div> <div><div></div>System and program testing</div> <div><div></div>System user training</div> <div><div></div>Generation of financial information</div> <div><div></div>System implementation</div> <div><div></div>Up and download of data</div>		
Analysis of the Function:	<b>These services extend to include <i>Msukaligwa Municipal region</i>, but do not take account of <i>GSDM Municipal region</i> which resides within the jurisdiction of <i>Provincial government</i>. The municipality has a mandate to:</b>		
	<b>The strategic objectives of this function are to:</b> <div><div></div>Proper manage the financial systems</div> <div><div></div>Process and update data daily</div> <div><div></div>Ensure availability of financial and information</div> <div><div></div>Enhance and improvement financial systems</div> <div><div></div>Generate and supply of up to date information</div>		
	<b>System Management</b> <div><div></div>Run update programs for relevant data updates</div> <div><div></div>Verify updated data</div> <div><div></div>Generate reports and supply information</div> <div><div></div>Capture data</div> <div><div></div>Convert generated reports to Word format and store on a central database</div> <div><div></div>System testing</div> <div><div></div>Report system problems and follow up rectification</div>	Daily Daily Daily Daily Daily Daily Daily	
	<b>The key issues for 2008/09 are:</b> <div><div></div>Availability of computer systems and updated data</div>		
	<b>Numbers and costs to the employer of all Finance Expenditure</b> <div><div></div>Assistant Director Financial Systems</div> <div><div></div>Assistant System operator</div> <div><div></div>Snr/ Computer Operator</div> <div><div></div>Data Operator</div> <div><div></div>Data Operator</div> <div>Total Cost</div>	1 1 1 1 1	303 050 237 139 185 685 160 830 142 041 1 028 745
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
System Management	<div><div></div>System availability</div>	100%	100%
	<div><div></div>Updated data</div>	100%	100%
	<div><div></div>Completion of daily and monthly processes</div>	100%	100%



Function:		Msukaligwa Municipality																									
Sub:		Finance and Administration																									
5.2.1.7 Supply Chain Management																											
Reporting Level	Detail		Total																								
Overview:	Includes all activities relating to overall procurement functions of the municipality including costs associated with orders, tenders, contract management etc.																										
Description of the Activity:	<b>The function of Supply Chain Management within the municipality is administered as follows and includes:</b> <ul style="list-style-type: none"><li>Procurement of goods and services HR administration.</li><li>Administer database</li><li>Arrangement of contracts</li><li>Order administration</li><li>Contract administration</li></ul>																										
Analysis of the Function:	<b>These services extend to include <i>Msukaligwa Municipal region</i>, but do not take account of <i>GSDM Municipal region</i> which resides within the jurisdiction of <i>Provincial government</i>. The municipality has a mandate to:</b> <ul style="list-style-type: none"><li>To procure on all needs and projects of which the municipality receive direct grants as well as from internal funds.</li></ul> <b>The strategic objectives of this function are to:</b> <ul style="list-style-type: none"><li>The compilation of a SCM policy which complies with all SCM legislation and regulation</li><li>Reviewing of SCM policy annually</li><li>Reviewing of Suppliers database annually</li><li>Training of SCM practitioners annually according to MFMA competency</li></ul> <b>Details of tender / procurement activities:</b> <table><tr><td><ul style="list-style-type: none"><li>Total number of times that tender committee met during year</li></ul></td><td>23</td><td></td></tr><tr><td><ul style="list-style-type: none"><li>Total number of tenders considered</li></ul></td><td>22</td><td></td></tr><tr><td><ul style="list-style-type: none"><li>Total number of tenders approved</li></ul></td><td>22</td><td></td></tr><tr><td><ul style="list-style-type: none"><li>Average time taken from tender advertisement to award of tender</li></ul></td><td>21</td><td></td></tr></table> <b>The key issues for 2008/09 are:</b> <ul style="list-style-type: none"><li>Availability of products and services not always available from local suppliers (Support LED)</li></ul> <b>Details of bid adjudication committee:</b> <ul style="list-style-type: none"><li>Boers, Hendrikus Marthinus</li><li>Dlamini, Mphumeleli Lawrence</li><li>Lessing, Adam</li><li>Makhanye, Cynthia Kholiwe Bonsiwe</li><li>Mkhabela, Thulani Velentine</li></ul> <b>Numbers and costs to the employer of SCM</b> <table><tr><td><ul style="list-style-type: none"><li>Assistant Director SCM</li></ul></td><td>1</td><td>303 050</td></tr><tr><td><ul style="list-style-type: none"><li>Clerk GR !</li></ul></td><td>1</td><td>141 615</td></tr><tr><td><ul style="list-style-type: none"><li>Snr. Clerical Assistant</li></ul></td><td>2</td><td>298 723</td></tr><tr><td colspan="2"><b>Total Cost</b></td><td><b>743 388</b></td></tr></table>			<ul style="list-style-type: none"><li>Total number of times that tender committee met during year</li></ul>	23		<ul style="list-style-type: none"><li>Total number of tenders considered</li></ul>	22		<ul style="list-style-type: none"><li>Total number of tenders approved</li></ul>	22		<ul style="list-style-type: none"><li>Average time taken from tender advertisement to award of tender</li></ul>	21		<ul style="list-style-type: none"><li>Assistant Director SCM</li></ul>	1	303 050	<ul style="list-style-type: none"><li>Clerk GR !</li></ul>	1	141 615	<ul style="list-style-type: none"><li>Snr. Clerical Assistant</li></ul>	2	298 723	<b>Total Cost</b>		<b>743 388</b>
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Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target																								
Follow Bid Procedures as per policy	<ul style="list-style-type: none"><li>All tenders procured in accordance with the Supply Chain Policy and procedure, by appointed bid committees.</li><li>Specification, Quotations, Valuation, Tenders, Evaluation and adjudication, Approval, Appointment, Orders, Payment</li></ul>	100%	100%																								